



Andy Beshear
Governor

Kerry B. Harvey, Secretary
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Robert Laurence Astorino
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Kentucky Real Estate Authority
Kentucky Real Estate
Commission

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COMMISSIONERS

Lois Ann Disponett, Lawrenceburg
Raquel E. Carter, Lexington
James O. King, III, Louisville
Steve K. Cline, Bowling Green
James G. Simpson, Dry Ridge
Larry D. Disney, Winchester
Joy E. Amann, Ludlow

KENTUCKY REAL ESTATE COMMISSION
(KREC)

MEETING MINUTES

December 10, 2020

*** This meeting occurred via Zoom Teleconferencing, pursuant to KRS 61.826***

Commission Members Present

Commissioner Chair, Lois Ann Disponett
Commissioner Larry Disney
Commissioner James Simpson

Commissioner Steve Cline
Commissioner Raquel Carter

KREA Staff

Robert Laurence Astorino, Executive Director
John Hardesty, General Counsel
Hannah Carlin, Education Coordinator
Angie Reynolds, Administrative Specialist III
Brian Travis, Investigator

Guests Present

Cindy Rice Grissom
Daniel Muhlbergr
Fred Rogers (McBrayer)
J.J. Wilson
Janie Wilson
Jeff Smith
Jim DeMaio (RASK)
Joyce Sterling
Judy Ball

Kristen Reese
Lauren McMillin
Nathan Burton
Nicole Knudtson
Pam Carroll
Pam Featherstone
Rhonda Richardson
Richard Wilson

Call to Order and Guest Welcome

The Kentucky Real Estate Commission meeting was called to order through video teleconference by Commission Chair, Lois Ann Disponett, at 9:15 a.m. on December 10, 2020. Roll call was taken and a quorum was present. Guests in attendance were welcomed and introductions of guests, staff, and commissioners were made.

Approval of Meeting Minutes

Commissioner Cline made a motion to approve the **October 22, 2020** Commission Meeting Minutes. Commissioner Disney seconded the motion. With all in favor, the motion carried.

Education and Licensing Report

Ms. Carlin presented the Commission the following:

1. Testing Statistics

October – November 2020 (First Time)

Type of Exam	Passed	% Passed	Failed	% Failed	Total Exams
License Reciprocity-Broker	1	100.00	0	0.00	1
License Reciprocity-Salesperson	4	44.44	5	55.56	9
Broker- National	10	58.82	7	41.18	17
Broker- State	8	47.06	9	52.94	17
Salesperson-National	240	70.38	101	29.62	341
Salesperson- State	199	55.43	160	44.57	359
TOTAL	462	62.10	282	37.90	744

October - November 2020 (Repeat)

Type of Exam	Passed	% Passed	Failed	% Failed	Total Exams
License Reciprocity-Broker	0	0.00	0	0	0
License Reciprocity-Salesperson	3	60.00	2	40.00	5
Broker- National	5	55.56	4	44.44	9
Broker- State	9	52.94	8	47.06	17
Salesperson-National	60	37.27	101	62.73	161

Salesperson- State	100	50.51	98	49.49	198
TOTAL	177	45.38	213	54.62	390

2020 (First Time)

Type of Exam	Passed	% Passed	Failed	% Failed	Total Exams
License Reciprocity- Broker	6	66.67	3	33.33	9
License Reciprocity- Salesperson	18	58.06	13	41.94	31
Broker- National	72	64.86	39	35.14	111
Broker- State	65	54.62	54	45.38	119
Salesperson- National	967	73.65	346	26.35	1,313
Salesperson- State	808	58.47	574	41.53	1,382
TOTAL	1,936	65.30	1,029	34.70	2,965

2020 (Repeat)

Type of Exam	Passed	% Passed	Failed	% Failed	Total Exams
License Reciprocity- Broker	3	75.00	1	25.00	4
License Reciprocity- Salesperson	8	72.73	3	27.27	11
Broker- National	31	45.59	37	54.41	68
Broker- State	43	55.13	35	44.87	78
Salesperson- National	228	36.95	389	63.05	617
Salesperson- State	366	53.04	324	46.96	690
TOTAL	679	46.25	789	53.75	1,468

2. Licensing Statistics

As of December 7, 2020

Type	Active	Inactive	TOTAL
Sales Associate	11,443	5,620	17,063
Broker	3,996	781	4,777
TOTAL	15,439	6,401	21,840

New Licenses Issued in 2020 (by month)

Month	Sales Associate	Broker	Total
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January	102	16	118
February	87	21	108
March	97	19	116
April	49	11	60
May	15	4	19
June	35	1	36
July	142	8	150
August	125	4	129
September	132	9	141
October	170	7	177
November	115	9	124
December			
TOTAL	1,069	109	1,178

The November and December 2020 **Continuing Education Applications** were reviewed for compliance with 201 KAR 11:170 and recommended to the Commission for approval by Hannah Carlin.

Education Providers

- a. Clarksville Association of Realtors

Sales Associate Pre-License Course

Kentucky Real Estate College

Course Name- Course Number	Instructors	Pre-License Hours
Pre-license Principles and Practice (21937)	Kent Gray, Lee Harris, Ken Perry, Dominic Rossi	96

Continuing Education Courses

General Title Insurance Company

Course Name- Course Number	Instructors	CE Hours
Closing Protection Coverage (23174)	Robert Holman	1 elective
Closing Protection Coverage (23175)	Robert Holman	2 elective

Marketing and Marketing Service Agreements (23172)	Robert Holman	1 elective
Real Estate Ethics Training (23171)	Robert Holman	3 elective
The Risk of Cyber Fraud and the Agency Escrow Account (23170)	Robert Holman	2 elective
What is Title Insurance? (23173)	Robert Holman	2 elective

HomeServices Real Estate Academy

Course Name- Course Number	Instructors	CE Hours
At Home with Diversity - Part 1 (23176)	Teresa Palacios Smith	6 elective
At Home with Diversity - Part 2 (23177)	Teresa Palacios Smith	6 elective

WebCE, Inc.

Course Name- Course Number	Instructors	CE Hours
Avoiding Common Mistakes (23163)	Susan Davis	3 elective
Building Green (23162)	Susan Davis	3 elective
Managing Conflicts with Tenants, Clients, and Employees (23165)	Susan Davis	3 elective
Property Management (23166)	Susan Davis	3 elective
The Power of Social Media Marketing (23167)	Susan Davis	3 elective
Who Represents Whom? Agency Uncloaked (23161)	Susan Davis	3 elective

Continuing Education and Post-License Education Courses

Greater Louisville Association of Realtors

Course Name- Course Number	Instructors	CE Hours	PLE Hours
Using a Reverse Mortgage (23180)	Julia Atherton Railey	3 elective	3 finance

HomeServices Real Estate Academy

Course Name- Course Number	Instructors	CE Hours	PLE Hours
From Introduction to Execution (23181)	Sha Fister	3 elective	2 contracts, 1 disclosure

Kaplan Real Estate Education

Course Name- Course Number	Instructors	CE Hours	PLE Hours
Kentucky Risk Management V1.0 (23168)	Tom Highland	2 elective	2 risk management

Broker Electives/NAR Designation Courses

Greater Louisville Association of Realtors

Course Name- Course Number	Instructors	Broker Elective Hours	CE/PLE Hours
Accredited Buyers Representative (ABR) Designation – Day 1 (23178)	Marlene Burkhart	8	CE- 3 elective, 3 law PLE- 6 elective, 2 risk mgmt
Accredited Buyers Representative (ABR) Designation – Day 2 (23182)	Marlene Burkhart	8	CE- 3 elective, 3 law PLE- 3 agency, 3 contracts, 2 risk mgmt
Military Relocation Professional (MRP) Certification (23179)	Marlene Burkhart	8	CE- 3 elective, 3 law PLE- 5 elective, 3 finance

The CE Shop

Course Name- Course Number	Instructors	Broker Elective Hours	CE Hours
At Home with Diversity (23011)	Jill Malloy, Michael McAllister	8	6 elective

Broker Curriculum Courses

Kentucky Real Estate College

Course Name- Course Number	Instructors	Broker Curriculum Hours
Brokerage Law (22342)	Lee Harris, Ken Perry	48
Brokerage Management (21938)	Ken Perry	48

Real Estate School

Course Name- Course Number	Instructors	Broker Curriculum Hours
Brokerage Management (23162)	Jeffrey Davis, Vickie Grimes, Regina Schaal	48

Instructors

- a. Sha Fister
- b. Julia Atherton Railey
- c. Teresa Palacios Smith

Renewal Applications

Education Providers

- 2 My Classes, LLC
- American School of Real Estate Express
- Central Kentucky Association of Realtors
- Kentucky Housing Corporation
- Kentucky Real Estate College
- Real Estate School
- The CE Shop

Instructors

- Marlene Burkhart
- Lee Harris Donahue
- Kent Gray
- Ken Perry
- Dominic Rossi
- Joyce Bea Sterling
- Dennis Stilger

Courses

2 My Classes, LLC

Course Name (Course Number)	Instructor(s)	Hours	Initial Approval Date	Current Expiration Date
From the Ground Up (22268)	Joyce Bea Sterling	SA Pre- license: 96	2/11/2020	2/11/2021
Kentucky Core Course (18401)	Joyce Bea Sterling	CE: 6 law	2/11/2020	2/11/2021
KREC Licensee Compliance (23023)	Joyce Bea Sterling	CE: 3 law PLE: 3 license comp	2/11/2020	2/11/2021

Greater Louisville Association of Realtors

Course Name (Course Number)	Instructor(s)	Hours	Initial Approval Date	Current Expiration Date
1031 Exchanges (22238)	Harry Borders, Jennifer Fields	CE: 3 law PLE: 3 finance	1/17/2020	1/17/2021
Advertising Law and Ethics (21211)	Dennis Stilger	CE: 3 law PLE: 3 advertising	1/17/2020	1/17/2021
Agency Law and Disclosures (21234)	Dennis Stilger	CE: 3 law PLE: 3 agency	1/17/2020	1/17/2021
Bullet Proofing the Real Estate Closing (18055)	Jennifer Fields, Elayne Havens	CE: 3 law PLE: 3 elective	1/17/2020	1/17/2021
Certificate of Professional Excellence: Agency, Listings, and Addenda (23051)	Gwen Killion, Dennis Stilger, Greg Taylor	CE: 6 law	3/19/2020	3/19/2021
Certificate of Professional Excellence: Contracts (22989)	Judie Parks, Dennis Stilger	CE: 6 law	2/11/2020	2/11/2021

Certificate of Professional Excellence: Ethics, Communication and Cooperation (23050)	Kristie Dugan, Joe Hayden, Cora Henderson, Kathy McGann-Pfeffer	CE: 6 elective	3/19/2020	3/19/2021
Closing Day Success (22484)	Mike Kemp	CE: 3 law PLE: 3 elective	1/17/2020	1/17/2021
Contracts: Law and Theory (21153)	Dennis Stilger	CE: 3 law PLE: 3 contracts	1/17/2020	1/17/2021
Death, Divorce, and Taxes (22485)	Harry Borders, Jennifer Fields	CE: 3 law PLE: 3 elective	1/17/2020	1/17/2021
Disclosures: Required, Allowed, and Prohibited (22003)	Dennis Stilger	CE: 6 law PLE: 3 agency, 3 disclosure	1/17/2020	1/17/2021
Ethics: Cases and Scenarios (22486)	Mike Kemp	CE: 3 elective PLE: 3 elective	1/17/2020	1/17/2021
Ethics Here and Now (22488)	Kathy McGann-Pfeffer	CE: 3 elective PLE: 3 elective	1/17/2020	1/17/2021
Fair Housing (22005)	Dennis Stilger	CE: 3 law PLE: 3 fair housing	1/17/2020	1/17/2021
FHA vs. VA Loan (22980)	Brady Webb	CE: 3 elective PLE: 3 finance	1/17/2020	1/17/2021
FLEX Online (22920)	Tyler Hill, Jerry Legrand	PLE: 3 tech and security	1/17/2020	1/17/2021
Kentucky Core Course (17924)	Doug Myers, Dennis Stilger	CE: 6 law	2/11/2020	2/11/2021

KHC Financing (21212)	Laurent Houekpon, Melissa Johnson, Jamie Swindler	CE: 3 elective PLE: 3 finance	1/17/2020	1/17/2021
KREC License Compliance (21258)	Jennifer Fields, Kathy McGann- Pfeffer, Dennis Stilger	CE: 3 law PLE: 3 licensee comp	2/11/2020	2/11/2021
Landlord Tenant Law (22008)	Dennis Stilger	CE: 3 law PLE: 3 elective	1/17/2020	1/17/2021
Learning the FLEX MLS System (22481)	Tyler Hill, Jerry Legrand	PLE: 3 tech and data security	1/17/2020	1/17/2021
Legal Boot Camp (19059)	Harry Borders, Jennifer Fields	CE: 6 law PLE: 3 contracts, 3 disclosures	1/17/2020	1/17/2021
Legal Emergency: First Aid Kit (22965)	Jason Vaughn	CE: 3 law PLE: 1 elective, 2 risk mgmt.	1/17/2020	1/17/2021
Limiting Referral Liability; Happy Home Inspections; What Home Inspections are Not (22981)	William Troutman	CE: 3 elective PLE: 3 elective	1/17/2020	1/17/2021
Listing and Sales Contracts (21257)	Dennis Stilger	CE: 3 law PLE: 3 contracts	1/17/2020	1/17/2021
Military Veteran Housing Certification (23096)	Stephen DeMuth, John Miller, Daniel Rettig	CE: 5 elective, 3 law PLE: 2 elective, 3 fair housing, 3 finance	4/16/2020	4/16/2021

Mind Your Business: Business Law Basics for Real Estate (22492)	Matt Bearden, Cora Henderson, Kelly Human	CE: 3 law PLE: 3 elective	1/17/2020	1/17/2021
Mortgage Pitfalls (21182)	Jeff Ratanapool	CE: 3 law PLE: 3 finance	1/17/2020	1/17/2021
New Home Construction and the Law (22964)	Jason Vaughn	CE: 3 law PLE: 3 elective	1/17/2020	1/17/2021
Presenting Multiple Offers and Agency Forms (22494)	Harry Borders, Jennifer Fields	CE: 3 law PLE: 3 contracts	1/17/2020	1/17/2021
Protecting Yourself- Finance, Fraud, and Future (21256)	Allen Balderson, Colleen Balderson, Thomas Sims Jr.	CE: 3 law PLE: 3 finance	1/17/2020	1/17/2021
Real Estate and Insurance- The Odd Couple (22495)	Stephen Parrish	CE: 3 elective PLE: 3 elective	1/17/2020	1/17/2021
Real Property Titled in Estate or Trust (21215)	Matt Bearden, Cora Henderson, Kelly Human	CE: 3 law PLE: 1 elective, 2 risk mgmt.	1/17/2020	1/17/2021
Residential Measuring with ANSI (22919)	Kathy McGann-Pfeffer	CE: 3 law PLE: 3 elective	1/17/2020	1/17/2021
Safety in the Real Estate World (21255)	Greg Epley	CE: 3 elective PLE: 3 elective	1/17/2020	1/17/2021
Sales Contracts (21221)	Harry Borders, Jennifer Fields	CE: 3 law PLE: 3 contracts	1/17/2020	1/17/2021
Seller Disclosure and Procuring Cause (22538)	Harry Borders, Jennifer Fields	CE: 3 law	1/17/2020	1/17/2021

		PLE: 3 disclosure		
Survey Says... (22497)	Matt Bearden, Cora Henderson	CE: 3 law PLE: 3 elective	1/17/2020	1/17/2021
The Code of Ethics: Promise of Professionalism (21209)	Allison Bartholomew, Mike Kemp, Doug Myers	CE: 3 elective PLE: 1 elective, 2 risk mgmt.	1/17/2020	1/17/2021
The KREC Top 10 List (22498)	Harry Borders, Jennifer Fields	CE: 3 law PLE: 1 elective, 2 risk mgmt.	1/17/2020	1/17/2021
The Older Client and the Real Estate Agent (21226)	Kelly Gannott	CE: 3 law PLE: 3 elective	1/17/2020	1/17/2021
The Tell-All on Title Insurance (22499)	Matt Bearden, Cora Henderson, Kelly Human	CE: 3 law PLE: 3 elective	1/17/2020	1/17/2021
Title Issues (21220)	Colleen Balderson	CE: 3 law PLE: 3 elective	1/17/2020	1/17/2021
Transaction Desk (22324)	Tyler Hill, Jerry Legrand	PLE: 2 tech and data security	1/17/2020	1/17/2021
Understanding the GLAR Sales Contract (22500)	Mike Kemp	CE: 3 law PLE: 3 contracts	1/17/2020	1/17/2021
Using RPR to Better Serve Buyers and Sellers (21216)	Steve Bagby	CE: 3 elective PLE: 3 tech and data security	1/17/2020	1/17/2021
VA Boot Camp (22501)	Colleen Balderson, Josh Hay	CE: 3 law	1/17/2020	1/17/2021

		PLE: 3 fair housing		
What is FICO? (22979)	Brady Webb	CE: 3 elective PLE: 3 finance	1/17/2020	1/17/2021
Writing Problem Free Contracts (21214)	Matt Bearden, Cora Henderson, Kelly Human	CE: 3 law PLE: 3 contracts	1/17/2020	1/17/2021

Kentucky Real Estate College

Course Name (Course Number)	Instructor(s)	Hours	Initial Approval Date	Current Expiration Date
Advertising (22994)	Lee Harris, Ken Perry	CE: 3 elective PLE: 3 advertising	2/11/2020	2/11/2021
Agency in Real Estate (22995)	Lee Harris, Ken Perry	CE: 6 law PLE: 6 agency	2/11/2020	2/11/2021
Brokerage Appraisal and Finance (23112)	Ken Perry	Broker Curriculum: 48	7/16/2020	7/16/2021
Brokerage KY Law and Investment (23111)	Ken Perry	Broker Curriculum: 48	7/16/2020	7/16/2021
Contract Law (18047)	Lee Harris	CE: 3 law PLE: 3 contracts	2/11/2020	2/11/2021
Contracts (22996)	Lee Harris, Ken Perry	CE: 6 law PLE: 6 contracts	2/11/2020	2/11/2021
Disclosures (22997)	Ken Perry	CE: 3 law PLE: 3 disclosures	2/11/2020	2/11/2021

Fair Housing and Public Protection (22998)	Lee Harris, Ken Perry	CE: 3 law PLE: 3 fair housing	2/11/2020	2/11/2021
Federal Antitrust Law and Real Estate Appraisal (22999)	Lee Harris, Ken Perry	CE: 3 law PLE: 3 elective	2/11/2020	2/11/2021
Finance (23000)	Lee Harris, Ken Perry	CE: 3 law PLE: 3 finance	2/11/2020	2/11/2021
Forms of Ownership (23001)	Lee Harris, Ken Perry	CE: 2 law PLE: 2 elective	2/11/2020	2/11/2021
Investing in Commercial Real Estate (22528)	Lee Harris, Ken Perry	CE: 3 elective	2/11/2020	2/11/2021
Investing in Real Estate (23002)	Lee Harris, Ken Perry	CE: 3 elective PLE: 3 elective	2/11/2020	2/11/2021
Kentucky Core Course (17937)	Lee Harris, Ken Perry	CE: 6 law	2/11/2020	2/11/2021
Kentucky Reciprocal License Law Course (23206)	Kent Gray, Lee Harris, Ken Perry, Dominic Rossi	40 hours for reciprocal licensees	3/19/2020	3/19/2021
KREC Licensee Compliance (23010)	Lee Harris, Ken Perry	CE: 3 law PLE: 3 licensee compliance	2/11/2020	2/11/2021
Leasing and Property Management (23003)	Lee Harris, Ken Perry	CE: 3 elective PLE: 3 elective	2/11/2020	2/11/2021
Legal Descriptions and Land Use (23004)	Lee Harris, Ken Perry	CE: 3 elective PLE: 3 elective	2/11/2020	2/11/2021
Legalities v. Practicalities (22423)	Lee Harris	CE: 3 law PLE: 3 contracts	2/11/2020	2/11/2021
Practical Tips: Selling and Closing (23005)	Lee Harris, Ken Perry	CE: 3 elective PLE: 3 elective	2/11/2020	2/11/2021

Property Rights (23006)	Lee Harris, Ken Perry	CE: 3 elective PLE: 3 elective	2/11/2020	2/11/2021
Real Estate Auctions and Market Analysis (23007)	Lee Harris, Ken Perry	CE: 3 elective PLE: 3 elective	2/11/2020	2/11/2021
Risk Management (23008)	Lee Harris, Ken Perry	CE: 2 law PLE: 2 risk management	2/11/2020	2/11/2021
Technology and Data Security (23009)	Lee Harris, Ken Perry	CE: 3 elective PLE: 3 tech and security	2/11/2020	2/11/2021
Unique Real Estate Law and Advice (22521)	Lee Harris	CE: 3 law PLE: 3 elective	2/11/2020	2/11/2021
Yes, No, or It Depends (22524)	Lee Harris	CE: 3 law PLE: 3 agency	2/11/2020	2/11/2021
You and the KREC (22522)	Lee Harris, Ken Perry	CE: 3 law PLE: 3 agency	2/11/2020	2/11/2021

Real Estate School

Course Name (Course Number)	Instructor(s)	Hours	Initial Approval Date	Current Expiration Date
Commercial and Investment Real Estate (22052)	Jeffrey Davis, Vickie Grimes, Regina Schaal	CE: 3 elective PLE: 3 elective	1/17/2020	1/17/2021
Disclosures: Seller's Disclosure of Property Condition and Lead Based Paint (21165)	Jeffrey Davis, Vickie Grimes, Regina Schaal	CE: 3 law PLE: 3 disclosure	1/17/2020	1/17/2021
Everyday Ethics in Real Estate (22051)	Jeffrey Davis, Vickie Grimes, Regina Schaal	CE: 3 elective	1/17/2020	1/17/2021

		PLE: 3 elective		
Fair Housing (21175)	Jeffrey Davis, Vickie Grimes, Regina Schaal	CE: 3 law PLE: 3 fair housing	1/17/2020	1/17/2021
Foreclosures, Short Sales, REOs, and Auctions (21172)	Jeffrey Davis, Vickie Grimes, Regina Schaal	CE: 3 elective PLE: 3 elective	1/17/2020	1/17/2021
Mortgage Fraud and Predatory Lending (22958)	Jeffrey Davis, Vickie Grimes, Regina Schaal	CE: 3 elective PLE: 3 elective	1/17/2020	1/17/2021
Property Management (22050)	Jeffrey Davis, Vickie Grimes, Regina Schaal	CE: 3 elective PLE: 3 elective	1/17/2020	1/17/2021
Property Pricing and Residential Real Estate (22047)	Jeffrey Davis, Vickie Grimes, Regina Schaal	CE: 3 elective PLE: 3 elective	1/17/2020	1/17/2021
Qualifying the Buyer (21173)	Jeffrey Davis, Vickie Grimes, Regina Schaal	CE: 3 elective PLE: 3 elective	1/17/2020	1/17/2021
Real Estate Agency (21168)	Jeffrey Davis, Vickie Grimes, Regina Schaal	CE: 3 law PLE: 3 agency	1/17/2020	1/17/2021
Real Estate and Taxes (22959)	Jeffrey Davis, Vickie Grimes, Regina Schaal	CE: 3 elective PLE: 3 elective	1/17/2020	1/17/2021
Real Estate Finance (21174)	Jeffrey Davis, Vickie Grimes, Regina Schaal	CE: 3 elective	1/17/2020	1/17/2021

		PLE: 3 finance		
Red Flags - Property Inspection Guide (22053)	Jeffrey Davis, Vickie Grimes, Regina Schaal	CE: 3 elective PLE: 3 elective	1/17/2020	1/17/2021
Risk Management (22444)	Jeffrey Davis, Vickie Grimes, Regina Schaal	CE: 2 elective PLE: 2 risk mgmt.	1/17/2020	1/17/2021
Starting a Successful Brokerage (21164)	Jeffrey Davis, Vickie Grimes, Regina Schaal	CE: 3 elective PLE: 3 elective	1/17/2020	1/17/2021
Sustainable Housing and Building Green (21171)	Jeffrey Davis, Vickie Grimes, Regina Schaal	CE: 3 elective PLE: 3 elective	1/17/2020	1/17/2021
The Truth About Mold (22055)	Jeffrey Davis, Vickie Grimes, Regina Schaal	CE: 3 elective PLE: 3 elective	1/17/2020	1/17/2021
Title Insurance (21169)	Jeffrey Davis, Vickie Grimes, Regina Schaal	CE: 3 elective PLE: 3 elective	1/17/2020	1/17/2021

Commissioner Cline made a motion to approve the list of applications. Commissioner Simpson seconded the motion. Commissioner Disney abstained from the discussion and the vote. Remaining all in favor, motion carried.

Ms. Carlin presented the **December 2020 licensing requests**:

1. **License #181717** - This licensee registered and allegedly completed the Kentucky Core course through an approved education provider via webcam. The provider requires attendees to complete a certain number of tasks throughout the course to prove the licensee

was present during the entire time of the course. The licensee claims he completed these tasks, but the provider does not have record of it. However the licensee has provided evidence to the contrary. The licensee is requesting the Commission to review his documentation and allow staff to give him credit for completing the Kentucky Core course.

Commissioner Disney made the motion to approve. Commissioner Cline 2nd. Having all in favor, motion carried.

2. **License #265505** – The applicant submitted a sales associate application with a background check from 2019. The applicant is requesting the Commission accept the exam results.

Chair Disponett recused herself from that discussion.

Commissioner Cline made the motion to deny. Commissioner Simpson 2nd. Having all in favor, motion carried.

Education Application Renewal Process

Part of the regulatory amendments that went into effect in December 2019 included changes to the education approval process. Ms. Carlin recommended to the Commission that staff continue to review all applications and only submit a list of initial applications. Staff will administratively approve renewal applications, unless there is an issue or a concern. If there is an issue with the renewal application, staff will present it to the Commission at the next meeting. This option will expedite the renewal process for education providers and instructors. Staff anticipates processing time for renewal applications will be 10-15 business days from receipt.

Commissioner Disney made the motion to approve. Commissioner Cline 2nd. Having all in favor, motion carried.

Continuing Education Credit for Instructors

201 KAR 11:170 Section 14. States that instructors can receive credit for teaching Continuing Education (CE). A licensee who teaches an approved continuing education course shall receive credit on an hour-for-hour basis, not to exceed three (3) hours per calendar year. In years past credit was given to the CE instructors and not pre-licensing instructors. It is at the Commission's discretion to start allowing pre-licensing instructors to receive CE credit as well. This does not apply to CORE.

Commissioner Disney made the motion to approve. Commissioner Carter 2nd. Having all in favor, motion carried.

Courses to Activate License from Inactive Status

Part of the 2019 regulatory amendments included increasing the continuing education required for inactive licensees to complete prior to activating his or her license. 201 KAR 11:210 Section

10(4)(b) requires licensees to, “complete core plus six (6) hours of continuing education elective to be selected from a list of courses to be compiled by the commission.” This particular provision will be in effect January 1, 2021.

Commissioner Cline recommended to the Commission that Advertising, Ethics and the Diversity and Fair Housing be the courses an inactive licensee must complete prior to activating his or her license, pursuant to 201 KAR 11:210 Section 10(4)(b).

Commissioner Cline made the motion to approve. Commissioner Carter 2nd. Having all in favor, motion carried. Commissioner Disney abstained from the vote.

Core Course and Licensee Compliance Course Updates

Ms. Carlin presented the 2021 Core Course and Licensee Compliance Course Updates to the Commission for review and vote to approve or deny the materials for each course.

Commissioner Cline made the motion to approve. Commissioner Simpson 2nd. Having all in favor, motion carried. Commissioner Disney abstained from the vote.

Errors and Omissions Data Issue

KREC staff noticed a discrepancy in the data transmitted from RISC Insurance Company to the Commission’s licensing database. The database indicated 172 licensees had current E&O policies, when in fact they did not. As a result, KREC staff worked with RISC to notify all 172 licensees to let them know they had until December 15, 2020 to purchase errors and omissions insurance. Those who did not purchase insurance would be cancelled on December 16, 2020.

Kentucky State Police Fingerprinting Suspension

KSP briefly suspended fingerprinting to implement a new system for obtaining background checks. The suspension lasted approximately two (2) weeks. KREC staff has limited information regarding the new process, but hopes to speak with KSP representatives in the near future. Once KREC staff receives guidance from KSP, they will update the website accordingly.

Executive Director Comments

Director Astorino stated that since the last meeting there has been an order from the Governor that has impacted many businesses across the Commonwealth, including real estate. Though minor, this influences the occupancy limit of the real estate office and if there should be a real estate office at the ordered 33% occupancy. Licensees were reminded to be mindful of foot traffic in the house at all time and to continue with Covid-19 safety protocols. The Director believes that additional guidance is forthcoming within the next week.

The Director noted that he had received positive feedback for the KREC Commissioner Orientation Packet. Many Commissioners have read it and have found it to be very helpful.

The Director stated that he has been working diligently to re-establish reciprocity agreements with neighboring states. Special thanks to Commissioner Disney and the ARELLO network. Commissioner Disney helped to facilitate a relationship with Indiana and West Virginia. Both of these state are now in active discussion with the Commission to establishing license recognition. Tennessee did not pass the reciprocity as agreed, but negotiations are set to continue.

Committee Reports

Education Committee

There was no Education Committee report for this meeting.

Applicant Review Committee

Commissioner Disney read the report of the Application Review Committee and the Committee's recommended action on each licensee:

1. T.E. to defer to January Meeting
2. D.M. to approve
3. J.J. to approve
4. N.B. to approve
5. J.W. to approve
6. L.T. to approve
7. T.H. Uphold denial, no settlement offered

Complaint Review Committee

Commissioner Cline read the report of the Complaint Review Committee, and the Committee's recommended action on each Complaint, to be further discussed in Executive Session. The Committee's recommendations are as follows:

Final Adjudications

18-C-008 - The Complainants filed this complaint against the principal broker, the Respondent. They claim the Respondent engaged in deceptive and fraudulent activities, including representing an unsigned document as an official counter offer and leading them to believe they had entered an agreed upon purchase agreement.

The Complainant claims Respondent violated KRS 324.160(4)(c), (d), or (u) when she stated the relocation company had to approve offers. Documentation was presented to the Committee to substantiate that claim, though it admittedly was unclear if the company explicitly required that it accept or reject offers. The relocation company is stated as the seller on the 'rider to the contract of sell' as the original buyer, in addition to sending in an acknowledgment letter. In addition, it is common practice for Relocation Companies to 'temporarily' own such properties until the time of transfer to the prospective buyer(s).

It was determined that the Respondent did not violate KREC's statutes and regulations.

Therefore, the Committee recommended dismissal of the complaint.

18-C-009 and 18-C-021 – The original Complaint was filed on November 27, 2017, the Complainant (the seller) filed an identical case – No. 18-C-21. Because the two complaints are identical, they were reviewed together.

The Complainant's original complaint did not state a prima facie case of a license law violation, so KREC requested a supplement, which the Complainant provided, though it was received beyond the ten-day limit for a supplement. Prior counsel overlooked this tardiness. In his original complaint, Complainant claimed that upon completing the buyer's contract for his property, his Agent, the Respondent, did not reserve the escrow deposit. He claims the buyers reneged on the purchase, which is true. Evidence established that Respondent represented buyer and seller as a dual agent and was overly diligent in constantly following up with the prospective buyer regarding why he had not provided the escrow deposit. The CRC determined the Respondent did not commit a violation related to that conduct.

The other question was whether Respondent committed a violation in failing to withdraw from the dual agency relationship after the prospective buyer delayed in providing the escrow deposit. The CRC determined that because Respondent was diligent in representing seller's interests in constantly communicating with buyer to request the deposit, and because she also upheld her duties to the buyer and did not advocate the position of one party over the other, she did not commit a violation by failing to withdraw.

It recommended dismissal of the complaint with a letter of caution.

18-C-025 - On December 14, 2017, the Complainant filed this complaint against Respondent, his brother, claiming Respondent committed licensing law violations by using their father's name, and the name of Complainant's brokerage/construction company, which had been trademarked, in his advertising. However, Complainant filed the complaint outside of the statute of limitations, which required dismissal.

The CRC recommended dismissal but to include in the letter to Complainant that he is permitted to file an updated complaint if Respondent commits or has committed new alleged violations within one year prior to the complaint. It also recommended a letter of caution be sent to Respondent.

18-C-052 - On July 6, 2018, Complainant filed this complaint against his nephew, the Respondent. The complaint arises from Complainant's sale of several properties through his nephew at a discounted rate. Complainant claimed Respondent lied to him about a statutory minimum commission that agents are required to charge in Kentucky, and that Respondent promised him a rebate from the sale of the properties but never followed through. Respondent denied all allegations. The Complainant missed the statute of limitations and recently requested withdrawal of the complaint.

The CRC Committee would like to recommend to allow the Complainant to withdraw the complaint.

18-C-096 - The Complainant claims that the Respondent fraudulently sold the Complainant property by concealing deficiencies to the property. Specifically, he alleges a previous buyer, made an offer on the home but then backed out after the home inspection report revealed problems with the crawl space and foundation. Respondent denies misrepresenting the characteristics of the property and refutes the notion that he deceived anyone.

The evidence and investigation in this case suggest the seller failed to update the Seller's Disclosure form after learning about the issues with the crawl space. However, Respondent is not required to, and did not, update the Seller's Disclosure form once the alleged issues were discovered. Moreover, while Complainant claims Respondent misrepresented why the previous buyer backed out, Complainant received a copy of the home inspection report that identified the deficiencies weeks before he closed on the property, and actually moved into the property well before closing. With the information in the inspection report, he accepted the condition of the property, requested repairs, and closed on the purchase of the property.

The Committee recommends dismissal of the complaint with a letter of caution to Respondent.

19-C-099 - The Complainants filed this complaint against the Respondent claiming that they were engaged in attempting to purchase a property and had agreed to pay up to \$5,000 in closing costs. The buyer's closing costs only ended up being \$2,500 but when they received the closing documents, it showed they were also paying insurance and an initial escrow deposit. The Respondent claims that the Complainants knew they would be paying for the additional costs. They claim they did not. However, for unknown reasons, the Complainants went through with

the sale, did not reject this change in the deal, and ended up paying these costs. They then filed this complaint against the Respondent.

Because the complaint failed to state a violation of KRS 324.160, KREC staff sent the complaint back to Complainants requesting a sworn supplement. **The**

Complainants received the request but declined to provide a supplement, therefore the complaint is deficient and thus the Committee recommended dismissal of the complaint due to lack of a Supplement response to the complaint.

20-C-007 - In complaint, the Complainant claims they entered into a property management agreement with the Respondents. The Complainant asserted numerous claims against both licensees and unlicensed individuals. KREC staff sent the complaint to all the Respondents for a response. KREC did not receive sworn answers, but recently received a request from counsel for Complainant to withdraw the complaint, as the Complainant no longer wishes to proceed with it.

The CRC Committee would like to recommend to allow the Complainant to withdraw the complaint.

20-C-008 - The Complainant filed this complaint against Respondent, but the Respondent is the former owner of the property and not a real-estate licensee. The Complainant claims after he purchased the property he discovered a number of issues with it. Because the complaint did not state a prima facie case of a license law violation by a licensee, the only type of claims over which KREC has jurisdiction. General Counsel requested Complainant supplement to the complaint from the Respondent to describe how a real estate licensee committed a violation. Complainant declined to do so and stated he submitted all of his information and allegations.

As the Respondent is not a real estate licensee, KREC has no jurisdiction to take action against Respondent. Nor does the complaint show a violation of KRS 324.160 against a real estate licensee, and the Complainant failed to provide a supplement as requested.

Therefore, the Committee recommends dismissal of the complaint with a word of caution.

20-C-021 - The Complainant filed this complaint against Respondent, stating that she and her husband divorced and undertook the process to sell their marital home. The court appointed Respondent to handle the transaction, even though Complainant

claimed her ex-husband and Respondent had a family relationship. She claims throughout the process, Respondent pressured her and did not treat her fairly, instead siding with her husband for all decisions. This included rushing a transaction instead of attempting to get the best deal for her clients; and offering to reduce her commission by \$3,000 to making the deal work, only to renege on the promise later.

It appears the Complainant and the Respondent have since worked out their differences amicably. On November 17, 2020, the Complainant emailed KREC to request withdrawal of her complaint.

The CRC Committee would like to recommend to allow the Complainant to withdraw the complaint.

20-C-029 - On July 7, 2020, an anonymous individual sent a letter to KREC allegedly reporting unlicensed real estate activity taking place in Kentucky. Despite the allegations, none of the company names appear to be Kentucky companies. Moreover, there is no allegation against any Kentucky licensee and, in fact, the letter cites only Virginia and Idaho law. Lastly, the complaint was not filed on KREC's required complaint form or notarized. Even to the extent KREC wanted to request a supplement, it could not because the Complainant is anonymous.

Because the complaint does not state a violation of KRS 324.160 against a Kentucky licensee, or any individual or company, and KREC does not know the identity of the Complainant in order to request a supplement.

The Committee recommends dismissal of the complaint.

Pending Actions

18-C-033 - The Complainant submitted a complaint against a former sales associate, the Respondent, alleging the Respondent withheld a sales commission transaction from their Agency after the Respondent left the brokerage.

The CRC recommended further investigation of the case.

18-C-079 - The Complainant claims Respondent was a licensee with one brokerage beginning September 20, 2018. Respondent left Complainant's brokerage and joined another brokerage. Around the time she officially left Complainant's brokerage, she allegedly posted on Facebook that she was "now with" the new brokerage. Complainant claims this occurred before Respondent actually moved. Likewise, Complainant claims around the time Respondent moved, she had a client

complete an Agency Disclosure form and had the client sign one with the new brokerage information even though the client was with the former brokerage. The CRC recommended that Respondent be given an **informal reprimand and three (3) hours of continuing education, and that General Counsel have authority to negotiate a settlement for that discipline.**

19-C-041 - The Complainants filed this complaint against Respondent, the Respondent is both a real estate broker and an auctioneer. There is a parallel complaint proceeding with the Board of Auctioneers. Complainant claims Respondent misrepresented that there were no liens on the property by advertising it as an absolute auction when, in fact, there were. He also claims damages from Respondent for the down payment on the property and repairs made to the home prior to closing, in light of the fact the property has not closed due to later discovered liens that exceeded the value of the property. The CRC recommended that the Recovery Fund is not at. As to Respondent, it recommended to allow General Counsel to attempt settlement of the case for discipline against Respondent of **(1) a fine of \$1,000; (2) 12 hours of continuing education, 6 hours in law and 6 hours in advertising; (3) a formal reprimand.**

19-C-101 - The Complainant claims he purchased a house under the impression that the HVAC unit and roof was one (1) year old as stated on the seller's disclosure which claimed they both were relatively new. He claims issues later arose and filed this complaint against seller's agent. Tragically, Complainant recently passed away.

The CRC recommended the complaint be held in abeyance to determine if parents wish to substitute themselves for Complainant, and whether that is permissible under KREC's statutes and regulations.

Other

B. C. - BACKGROUND

B.C. obtained a sales associate license on June 24, 2020. Because his background revealed past criminal activity, his application was reviewed and approved at the June 2020 Commission meeting. On November 4, 2020, B. Caudill's then-principal broker, notified the Commission that she was releasing Mr. Caudill's license. Mr. Caudill was arrested on September 17, 2020 for assault and driving under the influence. Principal Broker also indicated B.C. was arrested again on October 31, 2020 for driving under the influence. The Commission has not received anything from B.C. regarding his recent arrests. His license was cancelled on December 4, 2020 for failure to affiliate with a principal broker. KRS 324.160(4)(k) requires licensees to report a conviction, plea of guilty, or an "Alford" plea to a felony or a misdemeanor involving sexual misconduct to the

commission. At this time, we do not know his recent charges or the status of his arrests.

The CRC recommended to flag the licensee's account for further investigation if he files the necessary paperwork to reactivate his license or place it in inactive status.

Executive Session Legal Matters and Case Deliberations

At 10:14 a.m. Commissioner Disney made a motion to enter executive session, pursuant to KRS 61.810(1)(c) and (j), and KRS 61.815 to discuss proposed or pending litigation and deliberate on individual adjudications and to discuss 6 new applications reviewed by the ARC, one license denial appeal (see above) reviewed by the ARC, the 15 above CRC case recommendations, one licensee issue, and education provider as offered by Commissioner Disney:

APPROVED

- 18-C-008
- 18-C-009 and 18-C-021
- 18-C-025
- 18-C-033
- 18-C-052
- 18-C-079
- 18-C-096
- 19-C-041
- 19-C-099
- 19-C-101
- 20-C-007
- 20-C-008
- 20-C-021
- 20-C-029

Commissioner Simpson seconded the motion and the Commission entered into closed session discussion.

Reconvene Open Session and Committee Recommendations

Commissioner Disney motioned for the Commission to come out of executive session and Commissioner Carter 2nd the motion. Commission Chair Disponett resumed the full Commission meeting at 11:42 a.m. and welcomed everyone back attending the teleconference Commission meeting.

Commissioner Simpson made the motion to adopt both the **Applicant Review Committee** and the **Complaint Review Committee** recommendation reports as discussed in the Executive Session. Commissioner Cline 2nd the motion. Having all in favor, motion carried.

Commissioner Cline made the motion to refer the Educational Provider to conduct an investigation with the instructor involved. Commissioner Simpson 2nd the motion. Having all in favor, motion carried.

At this time the Commission allow questions and statements from the Gallery.

Rhonda Richardson stated that she had gotten lost in the discussion regarding extending the education credit for prelicensing instructors. Ms. Richardson asked the Commission to repeat their motion made for the ‘Courses to Activate License from Inactive Status’. As an educator, she has always looked to the Commission for the written process as denoted by statutes and regulations. According to her interpretation of the regulations the credit can only be provided for C.E. C.E. is only defined in the Regulation as ‘Continuing Education’ and not pre-licensed course work. She thinks that it will be hard to explain that and asked that prior to the Commission making a change to the ‘Continuing Education Credit for Instructors’ to consider following the normal rule making procedure.

General Counsel reiterated that the motion was that 201 KAR 11:210 Section 10(4)(b) requires licensees to, “complete core plus six (6) hours of continuing education elective to be selected from a list of courses to be compiled by the commission.” This particular provision will be in effect January 1, 2021. Commissioner Cline recommended to the Commission that Advertising, Ethics and the Diversity/ Fair Housing be the courses an inactive licensee must complete prior to

activating his or her license, pursuant to 201 KAR 11:210 Section 10(4)(b). Ms. Carlin noted that there will be several courses offered, such as the Realtor code of ethics courses and additional unaffiliated NAR courses consisting of general business ethics geared towards real estate professionals.

Joyce Sterling asked if someone were to take an additional 6 hours of law would that not count if they were removing their license from inactive status. General Counsel stated that it was his understanding was that since the CORE courses were all law, if you included additional law – it would become all law. Commissioner Cater noted that the purpose was to insure that the individual had a refresher in all subjects. Ms. Carlin stated that the annual C.E. requirements include three hours of law. If someone were to take additional law it would not penalize them.

General Counsel informed the Commission that they were always reconsider this motion now or at a later date. He did feel like the regulations gives the Commission the discretion to choose. It literally states from a list of courses to be compiled by the Commission.

Commissioner Disney advised staff that when reviewing the individuals as they are coming back to focus on areas that maybe experiencing trends in abuse or with a lack of knowledge, therefore causing abuse. When reentering the market you need information that will bring you up to speed.

Legal Report

Docket Update

General Counsel stated that they had moved a lot of cases over the last six weeks. A number of notice of ‘Administrative Hearings’ have been filed in some of our larger cases. Ones that have previously been investigated and have already gone before the Commission. Staff also filed several notices for Administrative Hearing for License Denial Appeals. The Commission decided on approximately fifteen (15) cases today. He thanked both Brian Travis and Angie Reynolds for their contributions.

Covid-19 Update

The Director having covered most the Covid-19 update. General Counsel wanted to reiterate the 33% capacity limit for office based business would apply to any real estate brokerage that works out of an office.

Advertising Question – Agent pictures and logos

General Counsel provided an email concerning an advertising question that he had received from Attorney Virginia Lawson – according to the email, agents have been asking about the required content font size of the Principal Broker (PB) or Brokerage pertaining to advertising. She asks if the pictures and logos are permissible in addition to names.

Though the regulation addresses the size of the font used it does not address the size of pictures and logos directly. However consideration should be taken if the size of the pictures/logo are found to be false, misleading, or deceptive. Further, the required content of the principal broker's name or the name of the real estate brokerage must be clear and visible to a typical observer of the advertisement, meaning it must be easy to read for a reasonable distance. If the picture of an agent shrinks or obscures this information the point it can't be easily seen, that could be a violation.

General Counsel stated that he did not see a requirement or a restriction stating that an agent's picture/logo be smaller or not larger than the PB or Brokerage's name.

New Business

Chair Disponett stated that they currently were not going to discuss the **Listing Agreement vs. the Consent to Sale**. Discussion would resume at the January meeting. This is to allow staff and General Counsel enough time to properly research and bring back a recommendation to the Commission.

Tennessee Reciprocity Agreement was discussed earlier by Director Astorino.

Cindy Rice Grissom, Chief Executive Officer of RISC Insurance Services is here to discuss the **Kentucky Real Estate EO Renewal for 2021**.

Commissioner Disney stated that at Chair Disponett's request he and Commissioner Carter review the **Diversity and Equality** inclusion with the possibility of developing statutory and/or regulatory language and a course, which they are currently working on and will present their results to the Commission next month. Commissioners Disney and Carter will work on a recommendation to add **Equality and Inclusion** language to the existing statute KRS 324.160 and/or amend regulation 201 KAR 11.121.

2021 KREC Meeting Dates will be set up for the 3rd Thursday of the month.

Chair Disponett stated she had been contacted by a few people wanting to know why they received an email notice regarding education while they were in inactive status. Ms. Carlin reiterated that it was to notify them of what they would need to do to come out of inactive status and if they are active in the industry in other rolls.

Chair Disponett asked to add a 'time frame for requests' to next month's meeting agenda.

Commissioner Cline asked to add 'Using the words "Realtor or Real-estate" in team names' be added to next month's agenda. General Counsel stated that it has been address in the "Train the Trainer" presentation available on the KREC website.

Commissioner Simpson asked about the time frame to change a statute. General Counsel stated that it is normally 8 to 10 months but it is dependent on the amount of public comment received. Commissioner Simpson asked for a flow chart of the process. General Counsel previously provided one to the Commissioners but said he would provide it again.

Approval Per Diem

1. Commissioner Simpson made a motion to approve the per diem for Commissioners Amann and Commissioner King for the attendance of the December 9, 2020 Application Review Committee meeting. Because it was teleconferenced, there were no travel expenses. Commissioner Disney 2nd the motion. Having all in favor, the motion carried.
2. Commissioner Simpson made a motion to approve the per diem for Commissioners Carter and Commissioner Disney for the attendance of the October 21, 2020 Complaint Review Committee meeting. Because it was teleconferenced, there were no travel expenses. Commissioner Disney 2nd the motion. Having all in favor, the motion carried.
3. Commissioner Simpson made a motion to approve the per diem for the December 10, 2020 KREC meeting. Because it was teleconferenced, there were no travel expenses. Commissioner Cline 2nd the motion. Having all in favor, the motion carried.

Meeting Adjournment

The next KREC Commission meeting will be scheduled for next year. Watch for a link for another Zoom meeting.

Commissioner Disney made a motion to adjourn the meeting. Commissioner Simpson seconded. Having all favor, the motion carried and the meeting adjourned at 1:10 p.m.